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To: Microsoft ATR
Date: 11/19/01 1:03pm
Subject: Microsoft Settlement

The remedies in the proposed settlement do not address two areas: the price fixing which Microsoft accomplishes using its monopoly position in computer operating systems, and monetary damages due to other companies harmed by these acts. Consumers have been and are continuing to be harmed by these practices.

1) Pricing for Microsoft Windows and Office products are artificially high and are maintained high due to lack of competition. All other components of PC pricing have declined greatly in the past ten years, but Microsoft software prices have increased. Only in areas where Microsoft has competition have prices been lowered.

2) In one area in particular, the IE browser, the pricing is predatory (zero), because this pricing is intended to drive competition out of business. This tactic has almost succeeded now. The purchase of Netscape by AOL was an indication of how successful this tactic is. Monetary compensation is due to Netscape.

3) Bundling of other zero-priced features like CD writing in the Windows XP version is intended to drive other competitors out of business; at which point Microsoft will raise prices in these future non-competitive areas. Restrictions on bundling of competitive products into Windows are needed to prevent future damage to competitors.

4) Microsoft has used its OEM license agreements to further the above goals. The proposed remedies do not address damages to parties caused by the illegal license agreements in place up until now. In particular, BeOS was driven out of business due to the restrictions in the OEM license agreements. At a minimum damages, should be awarded to BeOS to compensate for their losses due to unfair practices.

5) Microsoft has signed consent decrees in the past and then ignored them, continuing the conduct which the consent decrees were supposed to remedy. To prevent this from happening, there should be significant monetary damages (for example, treble the amount of losses at a minimum) specified for any future violations of the terms of this Final Judgement. It also should be made very easy for harmed parties to make claims for these damages. Many of Microsoft's competitors do not have the resources needed to pursue remedies through the court system, so an arbitrator should be appointed by the Court to hear these challenges in a simplified forum without requiring major resources for batteries of lawyers. This may sound like a peculiar request, but if similar mechanics had been in place previously, this current lengthy court procedure might not have been needed.

Detailed comments supporting the arguments are contained at this URL:
<http://money.york.pa.us/Articles/Microsoft.htm>

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